



**STATE OF TENNESSEE
DEPARTMENT OF FINANCE AND ADMINISTRATION
STATE CAPITOL
NASHVILLE, TENNESSEE 37243-0285**

**C. WARREN NEEL, Ph.D.
COMMISSIONER**

**FOR IMMEDIATE RELEASE
October 11, 2002**

**CONTACT: GERALD ADAMS
(615) 741-2401**

September Revenues

Nashville – On an accrual basis September is the second month in the 2002-2003 fiscal year. Department of Revenue tax collections were \$771.2 million. The collections include new revenue collected under the Tax Reform Act of 2002.

September revenues were \$14 million more than the budgeted estimates, Finance and Administration Commissioner C. Warren Neel announced today. The general fund had a \$13.3 million overcollection and the four other funds overcollected by \$700,000.

Sales tax collections were \$6.7 million more than the estimate. Adjusted for the rate change and the single article cap, the growth in sales tax collections was 3.52% for the month.

Franchise and excise taxes combined were \$9.6 million more than the estimate of \$156.2 million. For two months revenues are \$11.5 million overcollected.

Gasoline taxes and motor vehicle registrations were \$1.3 million more than the budgeted estimate of \$82.4 million.

Year-to-date collections for two months are \$10.4 million more than the budgeted estimates for all funds and \$7.4 million more than the general fund estimate.

The budgeted revenue estimates are based upon the State Funding Board's consensus recommendation adopted by the second session of the 102nd General Assembly in June of this year.

<p style="text-align: center;">REVENUE COLLECTIONS SEPTEMBER, 2002, AND 2 MONTHS YEAR-TO-DATE</p>
--

September Collections:

	Budgeted Accrual Estimate	Actual	Difference
General Fund	\$635,809,000	\$649,064,000	\$13,255,000
Highway Fund	47,730,000	48,041,000	311,000
Sinking Fund	19,030,000	19,078,000	48,000
City & County Fund	52,126,000	52,790,000	664,000
Earmarked Fund	2,515,000	2,266,000	(249,000)
Total	\$757,210,000	\$771,239,000	\$14,029,000

Year-To-Date Collections:

	Budgeted Accrual Estimate	Actual	Difference
General Fund	\$1,118,985,000	\$1,126,337,000	\$7,352,000
Highway Fund	98,246,000	100,636,000	2,390,000
Sinking Fund	37,841,000	37,853,000	12,000
City & County Fund	103,681,000	104,918,000	1,237,000
Earmarked Fund	5,043,000	4,434,000	(609,000)
Total	\$1,363,796,000	\$1,374,178,000	\$10,382,000

Table 1
Tennessee Department of Revenue
Comparative Statement of Collected Revenues

Class of Tax	September		Change	Percent
	2001	2002		
Franchise & Excise	\$143,282,000	\$165,789,000	\$22,507,000	15.71%
Income	1,140,000	834,000	-306,000	-26.84%
Inheritance & Estate	3,752,000	5,584,000	1,832,000	48.83%
Gasoline	45,752,000	51,970,000	6,218,000	13.59%
Petroleum Special	5,394,000	5,285,000	-109,000	-2.02%
Tobacco	6,281,000	9,863,000	3,582,000	57.03%
Beer	1,312,000	1,140,000	-172,000	-13.11%
Motor Vehicle Registration	15,541,000	16,055,000	514,000	3.31%
Motor Vehicle Title	795,000	923,000	128,000	16.10%
Mixed Drink	2,809,000	3,239,000	430,000	15.31%
Business	460,000	169,000	-291,000	-63.26%
Privilege	15,675,000	14,929,000	-746,000	-4.76%
Gross Receipts	203,000	(74,000)	-277,000	-136.45%
TVA - In Lieu of Tax Payments	18,317,000	18,022,000	-295,000	-1.61%
Alcoholic Beverage	2,574,000	3,147,000	573,000	22.26%
Sales and Use	385,761,000	463,619,000	77,858,000	20.18%
Motor Vehicle Fuel	10,907,000	10,411,000	-496,000	-4.55%
Severance	100,000	112,000	12,000	12.00%
Coin-operated Amusement	2,000	222,000	220,000	11000.00%
Total	\$660,057,000	\$771,239,000	\$111,182,000	16.84%

Table 2
Tennessee Department of Revenue
Comparative Statement of Collected Revenues

Class of Tax	August - September		Change	Percent
	2001	2002		
Franchise & Excise	\$160,537,000	\$186,508,000	\$25,971,000	16.18%
Income	3,364,000	219,000	-3,145,000	-93.49%
Inheritance & Estate	11,077,000	19,940,000	8,863,000	80.01%
Gasoline	96,354,000	106,149,000	9,795,000	10.17%
Petroleum Special	12,962,000	10,593,000	-2,369,000	-18.28%
Tobacco	14,112,000	17,172,000	3,060,000	21.68%
Beer	2,695,000	2,588,000	-107,000	-3.97%
Motor Vehicle Registration	31,372,000	31,774,000	402,000	1.28%
Motor Vehicle Title	1,775,000	1,852,000	77,000	4.34%
Mixed Drink	5,612,000	6,246,000	634,000	11.30%
Business	763,000	542,000	-221,000	-28.96%
Privilege	29,683,000	29,278,000	-405,000	-1.36%
Gross Receipts	13,407,000	9,988,000	-3,419,000	-25.50%
TVA - In Lieu of Tax Payments	34,447,000	34,566,000	119,000	0.35%
Alcoholic Beverage	4,623,000	5,098,000	475,000	10.27%
Sales and Use	767,311,000	885,277,000	117,966,000	15.37%
Motor Vehicle Fuel	21,802,000	25,981,000	4,179,000	19.17%
Severance	202,000	175,000	-27,000	-13.37%
Coin-operated Amusement	7,000	232,000	225,000	3214.29%
Total	\$1,212,105,000	\$1,374,178,000	\$162,073,000	13.37%

Table 3
August - September Revenue Overcollections/(Undercollections)
Budgeted Estimate

	General Fund	Other Funds	Total
Sales Tax	\$ 2,600,000	\$ 100,000	\$ 2,700,000
Income Tax	(1,400,000)	(800,000)	(2,200,000)
Inheritance Tax	8,400,000	0	8,400,000
Privilege Tax	(2,400,000)	(600,000)	(3,000,000)
Gasoline & Motor Vehicle Registration	(300,000)	5,100,000	4,800,000
Other Taxes	(11,000,000)	(800,000)	(11,800,000)
Sub-Total	\$ (4,100,000)	\$ 3,000,000	\$ (1,100,000)
F & E Taxes	11,500,000	0	11,500,000
Total	\$ 7,400,000	\$ 3,000,000	\$10,400,000